GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:82
ANSWERED ON:12.07.2004
FIXATION OF MINIMUM SUPPORT PRICE
Choudhary Shri Nikhil Kumar;Shakya Shri Raghuraj Singh

Will the Minister of AGRICULTURE be pleased to state:

(a) the names of agricultural produces for which Government fixes Minimum Support Prices;

(b) the steps being taken by the Government to ensure stability in the prices of the agricultural produces for which Minimum Support Prices are not fixed; and

(c) the action-plans formulated by the Government for the welfare of the small and marginal farmers in the country?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO.82 DUE FOR REPLY ON 12.7.2004.

(a): The Minimum Support Prices (MSPs) are fixed by the Government in respect of 25 agricultural commodities, namely; Paddy, Jowar, Bajra, Maize, Ragi, Wheat, Barley, Gram, Arhar (Tur), Moong, Urad, Masur (Lentil), Sugarcane, Cotton, Groundnut in shell, Jute, Rapeseed/Mustard, Sunflower seed, Soyabean, Safflower, Toria, Tobacco (VFC), Copra, Sesamum and Nigerseed.

(b): The crops covered under MSP account for around 60 per cent of the total value of agricultural output in the country. Horticultural commodities account for bulk of the remaining 40 per cent. The Government implements the Market Intervention Scheme (MIS) for procurement of Horticultural Commodities on request from States/Union Territories, which are ready to bear 50% loss, if any, incurred in the implementation of MIS.

Besides, retail prices of essential commodities, including Potato and Onion, are monitored by the Price Monitoring Cell (PMC) in the Department of Consumer Affairs on the basis of the price data received from State Civil Supplies Departments. The price situation is also monitored regularly by the High Powered Price Monitoring Board (HPPMB). Proposals for policy decisions based on the HPPMB`s directions are submitted to the concerned Ministries/Departments for appropriate action.

(c): To mitigate the problems of the farmers, including small and marginal farmers, the Government have identified the following areas for focussed and priority attention:

. Doubling Rural Credit in three years, easing the burden of debt and high interest rate;

. Dry Land Farming, promotion of Horticulture production and Water Management;

. Creation of additional irrigation facilities;

. Market support to farmer`s produce for ensuring fair and remunerative prices;

. Assistance to the farmers under various agricultural and horticultural production programmes;

. Insurance of crops against production loss due to natural calamities.

Subsidy is available to farmers, including small and marginal farmers, for various activities under the Macro Management Scheme. Under the National Agricultural Insurance Scheme

(NAIS), small and marginal farmers are entitled to a subsidy of 50% of the premium which is shared on 50:50 basis by Central and State Governments.